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ABSTRACT

In 1990, the London Enterprise Agency, a private sector consortium dedicated to inner-city regeneration in London, established a project to address homelessness. Later called GATE (Guaranteed Accommodation and Training for Employment), the project had three central features: a focus on employment as a means of tackling homelessness; the use of a guarantee to motivate and support a vulnerable client group; and the explicit linking of employment with housing. The program was built around a training program that guaranteed homeless participants employment if they achieved certain job-relevant goals. The training aimed to develop the personal skills necessary to get a job. Initially, the program attempted to guarantee both jobs and housing through a partnership with housing organizations, but scarcity of accommodation made this impossible. From autumn 1990 to December 1991, 70 trainees participated in the program. The success rates of participants were outstanding: 69 achieved the GATE goals and qualified for a guaranteed job, and 58 entered employment with the linked employer. Monitoring and follow-up for 12 months after the program showed retention and promotion rates higher than average, in the employers' opinion. All 24 participants in the pilot gained "move-on" housing negotiated by GATE. The project also explored these issues: efficacy of "adult compacts," ethos and appropriateness of a private sector approach to a social problem, and potential and limitations of partnership, particularly those between public and private sectors. (YLB)

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AN UPWARD SPIRAL?

The Gate Project: A case study of the role of training in addressing homelessness in Central London

Julia Carter

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Monographs in Continuing Education

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AN UPWARD SPIRAL?

The Gate Project: A case study of the role of training in addressing homelessness in Central London

Julia Carter

1992

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ABSTRACT

In 1990 the London Enterprise Agency (LEntA), a private sector consortium dedicated to inner city regeneration in London, established a project to address youth homelessness. Later called GATE (Guaranteed Accommodation and Training for Employment), the Project's central features were: a focus on employment as a means of tackling homelessness; the use of a guarantee to motivate and support a vulnerable client group; and the explicit linking of employment with housing in an attempt to break the vicious circle of homelessness: no job therefore no home - no home therefore no job. The programme was built around a training course which guaranteed homeless participants employment (if they achieved certain job relevant goals). Initially the programme attempted to guarantee both jobs and housing through a partnership with housing organisations but scarcity of accommodation made this impossible.

This report covers the period from Autumn 1990 to December 1991 during which time the author was the manager of the Project and 70 trainees participated in the programme. It covers the development phase, the running of the Project (pilot and second stages) and the lessons learnt; it evaluates the success and attempts to examine some of the underlying and broader educational and training issues: the efficacy of Adult Compacts; the ethos and appropriateness of a private sector approach to a social problem and the potential and limitations of partnerships, particularly those between public and private sectors.

The report will be of interest to those:

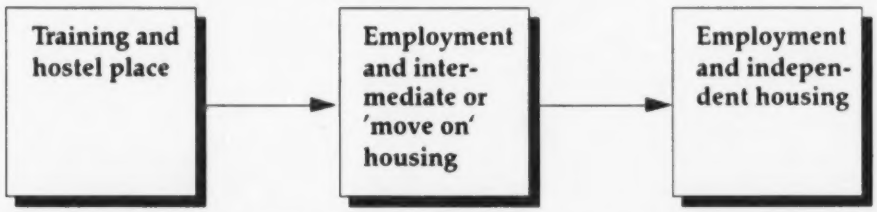
- involved with Continuing Education in its broadest sense, including colleagues interested in innovation, education and training opportunities for disadvantaged and excluded groups and the development of partnerships between sectors;
- concerned with housing and the needs of the homeless;
- developing partnerships and strategies for inner-city renewal.

1 DEVELOPMENT

1.1 Background

The London Enterprise Agency (LEntA) was established in 1979 by large national (and international) companies with a shared desire to find private sector solutions to inner city problems. It now has twenty one members *(see Note 1)* and is involved in inner-city regeneration through small business development and partnerships with education. LEntA has successfully initiated projects which have been adopted and replicated nationwide.

In early 1990 there were, by conservative estimates, 50,000 single homeless people in London of whom 3,000 were roofless and sleeping on the streets. The presence of these rough sleepers posed a threat to the well-being of the capital and prompted the Agency's involvement in a social issue. The ensuing Project, later called GATE (Guaranteed Accommodation and Training for Employment) was established in October 1990. Its brief was to test in practice the feasibility of an approach which would offer employment and accommodation to homeless people and thus enable them to break out of their current, hopeless situation and onto a new path leading to economic and social independence. The Project was envisaged as



Based upon the Schools' Compact, introduced by LEntA some years before *(Note 2)* the Agency sought to apply the concept of an *employment guarantee* to a new group - the homeless - who were to be offered a guarantee of a job and a home subject to meeting pre-arranged goals on a short training course.

In addition the *housing guarantee* was to act as a motivator for an alienated group, with employment as the key strategy for the achievement of social integration and economic independence. The centrality of the guarantee was the result of LEntA's own pioneering work with Schools' Compacts and experience derived from education, namely in the Access movement. The Compacts aimed to foster

> *links between employers and schools, in order to improve students' educational performance and enhance their training and employment opportunities on leaving full-time education. With these aims in view, goals are agreed for students, schools and employers. The school and student goals include attendance and performance targets. Students achieving their goals are guaranteed priority consideration for jobs with training, provided by Compact employers. The Compact, as a whole, guarantees to provide jobs for all students who achieve their goals.*
>
> (Hailes, 1992, p5)

Access courses, which are designed to allow hitherto excluded groups to enter higher education, have frequently, in London, featured a guarantee of a place on a degree course for students successfully completing the preparatory course. Where students of all ages have a history of educational disadvantage which has led to failure, there is frequently a tendency for them to accept and expect failure as the norm. This in turn becomes a self-fulfilling prophecy as self-doubt and anxiety undermine confidence and performance. The guarantee, on the other hand, breaks the expectation by offering security and promising success thus transforming students' performance and progress. Given the history of disadvantage experienced by the homeless, for whom the lack of housing was symptomatic of other deprivations as well as the cause of further hardship, it was felt that this approach might be equally appropriate for this group. The guarantees of housing and employment were therefore motivators *and* transformers of expectations.

1.2 Defining the Target Group

Though it was the inhabitants of 'Cardboard City' and the rough sleepers of the Strand and other central London venues who had aroused the sympathy and provided the initial stimulus for LEntA's involvement with the homeless, the Project quickly realised that this group represented only the highly visible tip of an iceberg of the total homeless population. In addition to those living on the streets of London (estimated at around 3,000) there are more single homeless squatting in derelict buildings, 'kipping' on friends' floors or living in temporary hostels. By definition nomadic, the total population is hard to pin down and thus to quantify; nevertheless estimates suggest that the hidden homeless vastly out-number the visible.

Of the varied groups which make up the homeless GATE needed to identify one which was first, reachable within the time and resource constraints of the Project, and second, one for whom the opportunities of GATE would be appropriate. Operationally and psychologically the inhabitants of 'Cardboard City' were not a suitable target group. In the words of a GATE participant:

> *When you're on the streets, ninety per cent of your time is spent getting somewhere to put your head that night and ten per cent getting something to eat.*

Nor were the highly nomadic and hidden homeless who moved in and out of squats, friends' floors and emergency shelters a suitable group. Their total lack of security made it hard for them to plan for a future and difficult for GATE, or any other agency, to reach them:

> *The key point to note in the present context is that having a home, however poor, is a precondition for most kinds of local action. The homeless, whether temporarily housed under local authority provision or, even more so, itinerant, are beyond the reach of most locality-based measures to combat disadvantage.*
> (European Foundation for the Improvement of Living and Working Conditions, 1990).

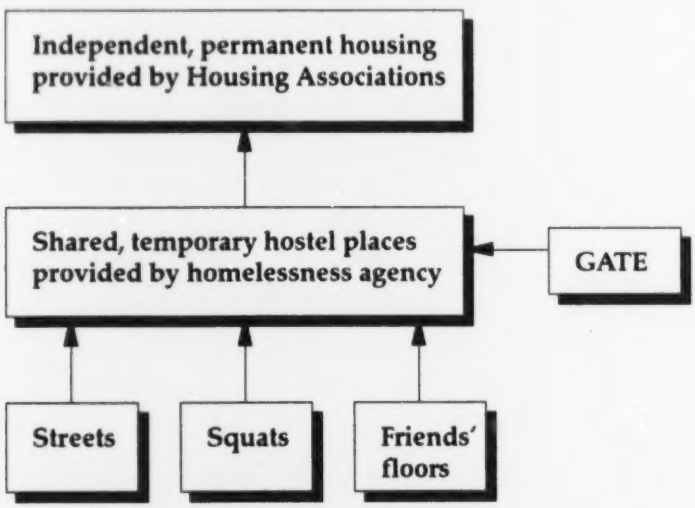
The project decided early on therefore to concentrate its limited resources on a homeless group most likely to be able to respond to and benefit from the opportunities of GATE. This group comprised those living in temporary accommodation run by homelessness agencies; they

were people who had recently been roofless and living on the streets but were now enjoying relative security. They were therefore able to consider their future and would, in principle, be attracted by both the housing and employment guarantees of GATE.

Although now living in relatively settled (if temporary) accommodation, the target group's housing needs were still pressing. Most hostel residents are awaiting resettlement in their own rented flat or bed-sit. The shortage of such accommodation involves long waiting lists and many people therefore spend months (two years is common) in hostels designed to be temporary and therefore lacking in privacy and facilities. Not only are their domestic circumstances restricted and often inappropriate for a long stay but residents of temporary accommodation are frequently living in a psychological limbo - unable to plan for a future without the structure of a home and yet unable to do anything themselves to achieve one. The intervention of GATE at this critical half way stage could thus be extremely beneficial, since it would offer an opportunity and system within which individuals would achieve 'for themselves' a home and a job and thus the critical structure they so obviously lacked. At both a material and psychological level therefore GATE would meet need.

There were operational reasons too for working with participants already living in hostels. The agencies could provide a framework with which GATE could engage; staff were able to provide an essential referral and outreach network into the Project; they could encourage and assist hesitant residents to apply to come onto a course and could provide the course and Project with a brief reference on applicants. Similarly they could support participants once they were on the course and in the difficult transitionary period of entry to employment when such help was most necessary. Hostel staff, in addition, guaranteed not to evict a resident attending a GATE course.

Finally, although the target group would not be people living on the streets, such people would indirectly be helped through GATE since, by moving people out of hostels and into permanent housing, hostel spaces would be freed for those on the streets. The accommodation jam and silting up of provision which the Project saw as a major contribution to the structural problems of homelessness in London could thus be addressed.



1.3 Designing the Job Guarantee

Although the concept of a job guarantee had come originally from the Schools' Compact there were various ways in which its application in GATE varied from the original model.

The Schools' Compact guarantee was collective, indirect and impersonal: a group of employers collectively agreed to offer jobs to all school leavers, from targeted schools, who achieved certain levels of achievement. In practice relatively few school leavers cashed in on their guarantee by applying for a job with a Compact employer - even when they did so there was no agreement between a specific employer and a specific student and thus no undertaking from the employer to accept a Compact applicant. In practice the Schools' Compact may have achieved much more in motivating school pupils and thus improving performance and staying on rates than in facilitating entry to employment.

For GATE, the age, circumstances and needs of the participants made it important to have an employment guarantee which, in contrast, was personal, direct and immediate. In practice this meant a close involvement with a single employer who would guarantee a set number of jobs and would be able to honour the promise at the end of an agreed training period, when participants had 'made the grade' and had achieved the specific objectives set by the employers as being the requirements of the jobs on offer.

The requirements of the employer thus formed the basis of the training which participants undertook, and the employer was involved in the design and delivery of the training and the selection of participants.

From the employer's point of view the guarantee did not mean any lowering of normal recruitment standards, since first, the employer was involved in selecting participants to join the scheme and second, employers' standard requirements were built into the training as goals which had to be achieved as a pre-condition of the job. In effect, employers had the opportunity to stipulate more through this method than through conventional recruitment. In addition to minimum standards in numeracy and literacy for example, the employer could also make behavioural demands such as attendance and punctuality which cannot normally be corroborated.

Central to the training model were approaches taken from recent developments in adult education particularly Access courses. These approaches, like GATE, seek to minimise the possibility of failure for individuals who may have a history of failure, whilst at the same time, being aware of the need to ensure the standards for the next stage - higher education in the case of Access. These opposing forces are reconciled by a partnership with the employer who pre-sets the standards but then agrees to accept every one who reaches them. The design of the training course, a thorough selection process and the very clear improvement in participant performance ensure that failure is exceptional and success is the norm. At the same time, the psychological impact of the guarantee transforms the participants from passive failures into active successes and their performance improves dramatically; they become involved in an upward spiral of progress and development.

Employer (or HE Institution) sets goals and guarantees jobs (or places in HE)
Design of programme
Selection of participants
Training (or Access Course)
Entry to employ-ment (or HE)
Participants meet goals

In identifying employers who could be approached to offer a guarantee, GATE had criteria appropriate to the Project and the needs of the participants.

First, given the Project's aim to develop economic independence, it took the view that it was targeting permanent, full-time jobs only and furthermore that such employment had to offer wages of around £180-£200 per week if participants were to avoid the 'benefits trap' after paying rent, overheads and travel costs. Although this figure is high, it is realistic for London where rents are expensive. Discussion with the homeless themselves confirmed that it was correct. The question of permanent versus temporary employment is also significant: whilst the Project supported the view that *any* work enhances an individual's self respect and is thus of value, the particular structural concerns of GATE to address homelessness through employment meant that only permanent jobs could be considered. Indeed, the Project team felt that casual and temporary work may contribute to or even cause homelessness. Finally employers being targeted had to be able to offer jobs which were unskilled or semi-skilled at the point of entry but had firm prospects for training and promotion. This condition reflected the need for a fairly rapid initial progression into work on the one hand coupled with a recognition that participants would soon grow disenchanted with dead-end jobs and leave, thus falling back into poverty and homelessness. In addition to these criteria, the ideal employer would be recruiting large numbers at any one time in order to offer the benefits of scale necessary in running a dedicated course.

1.4 Designing the Accommodation Guarantee

Though it was relatively easy for LEntA as an employer consortium to find the employment links required for GATE, it was much more difficult to find accommodation. For this it looked to form a partnership with the housing and homelessness movement in the voluntary sector. The partnership would underwrite the housing guarantee by providing 'move-on' accommodation to successful GATE participants living in hostels. The term 'move-on' is understandably vague. Ideally it means a self-contained, permanent house or flat rented from a local authority or

housing association. In practice, given shortage, it is often a shared flat on a long lease.

The intricacies of 'move-on' and the acute shortage of such housing has led to the development of a network of links between homelessness organisations (offering emergency or temporary housing) and housing associations. Such links act as referral or 'nomination' networks for residents and appear to control access to 'move-on'.

Given this technical complexity it was essential for GATE to work within the system and with existing 'clients' rather than requesting that agencies take on an additional load, which would in practice mean moving their own clients further down the queue.

Thus the structure of the housing guarantee reinforced the structure of the original referral of participants. GATE would receive referrals from hostels, which held nomination rights to 'move-on' with certain housing associations. These same housing associations agreed to provide such accommodation for successful participants. In effect the housing associations were simply agreeing to give priority to people already on their lists. Or, expressed more positively, given the shortage of resources, the housing associations saw that it was efficient to target GATE participants who would be in a position to move through 'move-on' more quickly.

1.5 Designing the Training

The training course in GATE was work-related but not vocational. It aimed to develop the personal skills required in *getting* a job and was therefore a pre-recruitment training course. Since the training was preparing participants to enter work with a single employer it was 'customised' to employer needs and was an example of 'customised pre-recruitment training'. The design of the training was largely determined by the employment guarantee. To act as a motivator for a group with a short gratification span, the training period had to be short (immediate entry to employment would have been the ideal) and had to prepare trainees directly to meet the employers' entry requirements. It was thus 'employer centred' rather than 'trainee centred' and though participants might derive a number of personal benefits, its primary objective was to allow participants to enter specific jobs.

The precise content of GATE training courses varied but in the period under review courses were: short and intensive (100 hours) and included communications (35 hours), numeracy (25 hours), assertiveness and interview skills training (20 hours), and housing and handling salary (4 hours). In addition, participants gained first hand knowledge of the employer through visits (16 hours). To ensure a smooth transition from the training into work, certain elements of the employer's recruitment and selection process were handed as part of the course. These included application and interview, aptitude and medical tests. The timing of the latter proved very significant and the tests were carried out as early as possible in the course. Successful completion of the course involved meeting the goals, previously agreed with the employer, punctuality (100% in the last three weeks of the course) and attendance (100% throughout the course).

Selection of trainees was particularly important in the light of the guarantee. The employer was involved in the process to ensure 'ownership' of the trainees and crucial criteria for eventual recruitment into employment; for example, colour vision and minimum height were also criteria for selection onto GATE.

2 RUNNING THE PROJECT

2.1 Summary of Outcomes

The Project ran a pilot for 24 participants in April and May 1991 and continued running courses on a monthly basis from September until December 1991. In the period under review therefore, 70 participants were involved with GATE on a total of six courses each lasting four weeks. Courses have continued since but are not covered by this Report.

The success rates of the participants were outstanding: 69 of the 70 (98%) achieved the GATE goals and thus qualified for a guaranteed job. In practice only 58 (83%) entered employment with the linked employer, British Rail, as the remainder failed to meet the Company's high health standards. At least one of the health 'failures' has since entered employment elsewhere and amendments to the design of the course and the timing of the health screening should avoid this disappointing outcome in future.

Monitoring and follow-up of the pilot cohort who have now been in work for twelve months has been carried out jointly by British Rail and GATE. Retention and promotion rates are, in the employer's opinion, higher than average. From the employer's point of view the positive outcome of the scheme was revealed in British Rail's decision to extend its commitment to a further one hundred jobs over a year and to offer jobs at higher grades than originally negotiated.

On the housing side, all participants in the pilot (24) gained 'move-on' housing negotiated by GATE. At present, one year after the pilot, only three of the participants have moved through this accommodation and into independent housing in the private rented sector, though it is hoped more will feel able to do so as they develop financial and emotional security.

The design of the whole programme including guarantees, targeting participants and the links with the voluntary sector and with employers appeared to work well in practice with two exceptions. The first involved the housing guarantee which was discontinued after the pilot. The second involved the medical requirements of the employer and the whole area of employer interface which required adjustment and fine-tuning.

A detailed description of the running of the Project follows.

2.2 Funding

LEntA members' sponsorship for GATE covered the development costs for an initial year. The direct costs of training were met through Employment Services and the City Action Team, part of the Government's Inner-City strategy. Later, support also came from South Thames TEC and the European Social Fund (on a matched basis).

It is however becoming clear that, though funds were initially available for 'innovation', it is far harder to obtain funding for a quality project on an on-going basis. The training costs are not high, particularly when set against the successful outcomes, but certain distinctive features of the Project place it outside the funding criteria of both Employment Training

and Employment Services main-stream. The high counselling and support elements and the close employer liaison which are crucial elements of the scheme, and major factors in the success of GATE participants, are perceived as extras which cannot be met within existing frameworks. The emergence of TECs has added an additional problem: TECs are by definition local, whilst the homeless are *de facto* nomadic. It is thus difficult to envisage TECs funding initiatives of this kind to the level required.

2.3 Trainee Participation

Of the 70 participants 55 (78%) were men and 15 (22%) women. Though it was generally assumed that whites significantly outnumbered non-whites in the total homeless population in central London, GATE participants were 60% white and 40% non-white, a reflection of non-white over-representation in the 'hidden homeless' category and the successful equal opportunities strategies of one of the referring agencies. The average age of participants was in the 25-29 year old band. The Project's upper limit of 45 years was arrived at after it was found that those over that age were likely to fail the employer health test (hearing and vision). Low wage rates for people under 18 made this the lower limit and the two 18 year olds accepted onto GATE confirmed the Project's belief that a narrowly focused employment scheme was not suitable for that age group.

Educational backgrounds varied: the majority had no qualifications though a substantial minority had CSE or GCE examination passes and some had City and Guilds or BTEC qualifications. Amongst applicants were two graduates. All but one of the participants had worked. Construction, retail and catering were the most common fields of previous employment. A minority of participants had served in the armed forces, one had been a bank clerk and a small number had held junior manager or supervisor posts.

GATE was highly selective. A model which can guarantee a successful outcome has to control inputs. Although conventional methods of selection were used, great care was taken to ensure access. Characteristics or behaviour which would normally be used to disqualify an applicant on the grounds that they were counter indicators for successful employment, for example, frequent job movement, were in this case viewed more sympathetically as evidence of homelessness itself or the factors which had lead to it and did not automatically disbar an applicant from acceptance onto the programme. Although GATE formed links with agencies whose clients were not suffering from drug or alcohol abuse or severe or chronic mental illness, all participants had, nevertheless, suffered a range of negative experiences including child and sexual abuse, imprisonment and mild mental illness. In addition all had suffered the effects of homelessness, including insecurity, loss of identity, vulnerability to crime, disease and abuse.

Demand for places on GATE exceeded supply, which was limited by the Project's small scale and pilot nature, and additionally by the economic recession which severely restricted the amount and types of jobs on offer. So high was the level of demand that GATE had to restrict eligibility in two ways. First, it rigidly enforced the criterion that participants had to be living in, and referred by, secure, temporary accommodation run by a homelessness agency. Second, it restricted the number of agencies with which it worked. The rationale for this was to allow the development of a trusting relationship between GATE and referring agencies and to

embed more deeply the good practice of GATE in the homelessness field. Though the approach was successful, it had the disadvantage of ultimately limiting the source of recruits, and thus access to jobs, for certain agencies and their clients. By the end of the period in question, there were signs that the pool of appropriate participants was beginning to dry-up. Moving to form new partnerships with new agencies thus became necessary.

Three points must be borne in mind here: first, had GATE found new employment opportunities it might have attracted additional participants from the original agencies - women for example were significantly under-represented on GATE, perhaps because of the male nature of the employment offered. Second, the lack of movement in the hostels is a symptom of the underlying structural problems of homelessness which resulted in the Project, in effect, seeking to recruit from a static pool. Though this pool might have been nearly exhausted there was no evidence that total demand (that is from the whole homeless population including those outside the partner hostels) was diminishing. Finally, British Rail, over the course of the Project, underwent shifts in their recruitment needs in favour of skilled grades. To meet these standards GATE's entry standard had to rise correspondingly and it became harder to find suitable recruits.

2.4 Employer Participation

Despite initial interest from a number of companies, the recession and consequent lack of recruitment made it impossible for these businesses to join the scheme as employers. Opportunities were therefore restricted to a single, large organisation with a number of vacancies. British Rail (Network SouthEast) negotiated the original guarantee with GATE for twenty four recruits in basic grades. They offered to extend the guarantee to a further one hundred recruits and offered jobs at higher, skilled grades. Despite their outstanding commitment to the scheme, there were issues at the interface between the course and entry to work which needed adjusting. The hurdle of the medical test has already been referred to. British Rail, understandably, has high standards of fitness for its recruits, including hearing and vision tests and drug screening. On the pilot courses participants were tested at the course end as part of the selection process. Where an individual expressed doubts about their hearing or eye sight at the stage of being interviewed for GATE, they were offered a British Rail hearing and vision test, which, if they failed, would make them ineligible for entry to the course. Though the same practice continued on subsequent courses, a number of participants who had expressed no concerns at the GATE selection stage were failing their medical test on sight and hearing grounds at the end of the course. This was clearly very upsetting and threw doubt on the notion of a guarantee. In cooperation with British Rail the timing of the test was altered and all participants were tested before coming onto the course - an expensive gesture for the company, since the test and screening are costly.

Other issues of the interface were more difficult to resolve and related in the main to the difference between two organisational styles and cultures and to problems of synchronisation. Ideally every GATE course would be matched by twelve vacancies ready to be filled as the course ended. In practice vacancies do not occur so regularly. This resulted in a few GATE participants being unplaced at the close of a course. Although they had been accepted by the Company as a result of meeting the GATE goals, they had not had, or passed, an interview with an operational line manager upon which their placement depended. When participants had

to undergo long waits before interview or before taking up a post, their confidence and self-presentation skills were severely affected. In the light of this experience GATE arranged follow-up days for people called for late interview and sought to keep in touch with those in this limbo situation, particularly when there were fears that a hostel culture could influence them negatively against work.

Managing the transition into work for an excluded group involves the dissemination of a new approach to recruitment into the operating divisions of the Company. This was the responsibility of the employer, not GATE. More radical projects might adopt a different view and extend their influence beyond entry to employment. Given the possibility that the type of discrimination which had damaged the client group's employment chances initially might still be operating in certain sections of the organisation, this desire to continue to support the clients is understandable. For GATE however, as a Project initiated by an employer consortium (LEntA), this was not an appropriate tactic. Further it appeared that the 'trade off' for *real* jobs was an acceptance of the limitations of the system and a recognition of the 'boundaries' between the partners; going too far to address them might have led to a total withdrawal of the employer from the partnership.

2.5 The Housing Guarantee

The housing guarantee was, initially, an important feature of the GATE proposal. Its significance was twofold: it seemed to be a motivator for the target group and the dual employment/accommodation guarantee made explicit the links between jobs and housing. Although for the pilot courses GATE was able to offer dual guarantees, it proved impossible to continue to offer the housing guarantee on subsequent courses.

There were three reasons for this: first and most important the pilot revealed the acute shortage of housing and the impossibility of finding sufficient places to keep pace with the employment opportunities offered. Thus whilst it was possible to support a group of twelve through a course and into employment over a period of six weeks, it was unrealistic to expect housing to be available so quickly and in such numbers. The limits of housing supply thus threatened severely to constrain the whole scheme and the number of participants overall who would benefit from the employment opportunities. A second reason for the abandonment of the housing guarantee lay in the original rationale that it would be a motivator. In practice this appeared to be unnecessary. Both homelessness agencies and the participants confirmed that the guarantee of a job on its own was a sufficient motivator for the target group. GATE attracted large numbers of applicants for each course without the accommodation guarantee.

2.6 Partnership

The secondary importance of the housing guarantee lay simply in making explicit the links between housing and employment or homelessness and unemployment. This linked approach proved to be an important feature of the Project which was sustainable without the dual guarantee and developed the partnership between the employers (LEntA) and the voluntary sector homelessness and housing agencies.

At an operational level, the links were demonstrated in the targeting of the scheme; the positive action approach of the Project and the recognition of the special needs of the group were central to the Project's

design. For a group accustomed to exclusion from mainstream (either deliberately or by default) the targeting was psychologically and operationally important.

At a theoretical level too, an awareness of the links between housing and employment developed through the growing partnership with the housing and homelessness movement. Homelessness workers (re)discovered the role of employment in the permanent resettlement of their clients and, on the other side, employers realised the valuable untapped pool of labour amongst the homeless. For both partners, the model of the guarantee and the security it offered them and their clients was important: homelessness agencies were understandably wary of an employer based scheme which linked housing and jobs, for fear it would replicate some of the worst features of tied-housing. Equally they were afraid of 'setting up their clients to fail' on a scheme which appeared to offer so much, but which might in reality exclude the majority. The guarantees did much to assuage these early doubts which were further reassured by the success of the scheme in practice. For the employers too the guarantee provided a crucial mechanism for retaining control of standards and the quality of recruits.

Whilst GATE cannot claim sole responsibility for this growing awareness between employers and homelessness agencies, it nevertheless made a substantial contribution, through the simplicity and demonstrable success of the Project, to a growth in trust which has contributed to future developments. One of these is a Youth GATE project sponsored by the private sector and involving a Youth Training scheme and a special hostel for sixteen and seventeen year olds. This project is bringing workers from training and housing together and will foster a growing understanding of the needs of the client group, needs which cannot be met through employment given the structure of the youth labour market. The second scheme is an ambitious building project which will involve a new model of hostel accommodation integrated with training and support, led by a large housing organisation in partnership with a training provider and LEntA. The scheme has attracted considerable charitable and government funding and seeks to embody in bricks and mortar many of the principles and lessons of GATE.

3 ISSUES AND EXPLORATIONS

At a basic level GATE successfully met both its aim to test a hypothesis and its objectives to design and run a scheme which would enable homeless young people to lead a life leading to social and economic independence. GATE demonstrated the potential of an employment guarantee and, although the dual guarantee was not feasible, it illustrated the importance of a linked approach. GATE enabled the homelessness movement and employers to develop a relationship and to begin to recognise the benefits of such a partnership. At another level GATE provided an opportunity to explore issues which have a broader relevance and potential than the particular focus of homelessness. A few of these are explored below.

3.1 The Employment Guarantee or Adult Compact

The employment guarantee or Adult Compact is not unique to GATE but has been developed, from the late 1980s on a small scale by pioneering agencies seeking radical solutions to problems of labour market exclusion. Target groups have included members of ethnic minority communities, women-returners, the disabled, refugees and the long term unemployed. Agencies developing Adult Compacts have included Government Task Forces in the inner city and community education trusts. A number of slightly different models have been developed so that whilst one may guarantee a job, others appear to guarantee only an interview. Though the author has no first hand experience of other schemes they appear, on the basis of a Business in the Community report (1990), to be successful in meeting their aims:

> *experience has shown that the unemployed can be trained to fill company vacancies... through Customised Training (p4).*

Nevertheless Adult Compacts have not 'taken off' nationally. In this respect they contrast with Schools' Compacts which had won Government, business and education support within a year of their inception. Though related to Schools' Compacts the adult model differs in the degree of its involvement in the labour market. Whilst Schools' Compacts provide an enabling framework for employment opportunities, Adult Compacts intervene more directly.

It is possibly this involvement with the labour market which provides the clue to their relative lack of growth. First, the labour market is volatile and notoriously hard to predict. A model of innovation which is dependent on the labour market must expect to be subjected to its peaks and troughs. Adult Compacts appear to have been so: the three to four years since their inception (1988-92) has seen a period of sporadic activity and no real growth. This period coincides with a time of erratic labour market activity (as a result of economic restructuring) followed by stagnation caused by the recession. Thus not only have Adult Compacts been unable to develop but the pattern of their history has mirrored that of the market.

Second, the unpredictable nature of the labour market makes recruitment an imprecise and essentially short term, science. The Adult Compact approach - the tailoring to employer needs, the long lead times and front-end investment of an employer's time - all suggest a medium to long term view and an accompanying rigidity. There is thus a mismatch

between the structure and underlying assumptions of the Adult Compact and the market context within which it is operating. It is possible that the high degree of specificity and rigidity in present Adult Compacts is only necessary in order to break new ground: that once they are established it will be possible to adopt more flexible approaches which will be better suited to the requirements of business. The price to pay for this 'incorporation' into the labour market may be a lowering of success rates amongst participants (compared to GATE's impressive record). Nevertheless Adult Compacts may need to accept this if they are to become a recognised alternative source of quality recruitment.

A second tension between the Compact model and employment practice is philosophical. Adult Compacts and the agencies operating them are essentially seeking to effect radical change, whilst business organisations are likely to be inherently conservative. The problems which GATE encountered at the interface with the organisation at the moment of entry to work is an example of the tension. Employers value their right to hire and fire and any proposal which undermines employer control in this area will be viewed as problematic. In supporting the rights of disadvantaged groups to enter the labour force, Adult Compacts will automatically confront examples of the very ethos and attitudes which, intentionally or not, led to the group's original exclusion. Seeking to change this ethos and to question prejudice is understandably a long term aim of organisations involved with Adult Compacts. Short term strategies which do not jeopardise the long term aims but, equally, are sensitive to the employer's 'agenda' will need to be developed.

3.2 The Private Sector Approach

In line with its overall rationale to find 'private sector solutions' to inner city problems, LEntA's GATE Project was typically 'entrepreneurial' in its focus on employment as a cure for social ills. At one level, employment can be seen as the obvious, practical, contribution an employer consortium can make to a problem. However, viewed objectively (and retrospectively) it seems a strange and rather naive contribution to the problem of homelessness. Part of the explanation for the focus lies in the rationale for LEntA's original involvement.

Unlike many other social ills, the existence of homelessness in London is highly visible to the business community. It is no coincidence that two Board members who took an active role in establishing and steering the GATE Project represented business on the South Bank and Strand respectively, both areas of high levels of rough sleeping. For these, and for other members, homelessness is not only a social concern (which they had long supported through charitable donations) but also a business issue. The presence of rough sleepers and beggars on the door step of head office was upsetting to staff and visitors to the premises. It was creating a negative impression of London as a business capital which might undermine investment. Implicit in the LEntA Board's decision to become involved with homelessness were fears of a breakdown in law and order. Cardboard City in the 'Bull Ring' (the underpass at Waterloo) constituted a symbol not just of poverty and deprivation but also of a violent, young and physically threatening community living by its own rules and codes and operating outside society and the law. The comparative youthfulness of the rough sleepers was particularly important. Young people are commonly regarded by the private sector as an investment for the future. In the case of Cardboard City there were fears that the alienation of the group now, would lead to their exclusion from the labour force and into their permanent unemployability. They

would thus represent a long term negative investment ultimately to be supported from taxation on business.

To the LEntA Board it was these *effects* of homelessness rather than the causes which needed to be addressed. Employment was thus perceived as a socialising agent which initiates individuals into (or back into) society and maintains them there through earnings, social contacts and an increasing stake in the status quo. Though this is a private sector view of employment which is not necessarily shared by the voluntary sector, it is equally not a view they oppose. For the voluntary sector too

> *...having a job signifies opportunity. Young people increasingly feel it is an opportunity they are being denied. When people have no housing and no earned income their whole life begins to fall apart. The social and economic costs of that tragedy are not measurable...*
> (Saunders, 1986)

The apparent convergence of views made it possible for the GATE scheme to work in partnership with the voluntary sector and for some of the underlying tensions of the Adult Compact to be submerged. Nevertheless, the particular emphasis on employment and the view of employment taken by the Project were typically private sector.

The Project's structure was also essentially entrepreneurial. The Project did not focus on causes but on *solutions*. Very little research preceded the establishment of GATE and the Project's tight timescale left little time for research outside its immediate needs. There was thus no analysis of the problem and no examination of the causes of homelessness. Traditional analytical approaches (see for example Oldman, 1990) have typically found pathological or structural causes for youth homelessness; they have identified family breakdown or shortage of housing as major causes of the problem (more recently there has been an additional cause - the changes in benefit regulations). Though the validity of such conclusions is not in doubt, their potential for bringing about change and improving the lot of the homeless in practice is limited. As a strategy for the short term, the LEntA entrepreneurial approach, which side-steps analysis and focuses on solutions, proved positive in terms of individual outcomes and, more broadly, as an example which in turn encouraged further activity.

Given the entrepreneurial approach and structure of the Project, its methodology was also entrepreneurial. Rather than beginning with a theory, the Project began with a vague possibility and sought to test it actively in practice. This action research method can be called 'logical incrementalism' or 'suck it and see' and is not confined to the private sector. Whilst it is precarious to the traditionalist, its strength lies in its pragmatism which enabled the Project to be flexible and responsive. For GATE this was a crucial factor in the development not only of the scheme but of a partnership with the voluntary sector. The flexibility of approach allowed the participants and partners (employers and homelessness agencies) to make real contributions to its workings and design which would have been impossible in a more formal and tightly defined model. It was also effective strategically. It promised and delivered tangible results which in turn attracted and maintained the support of new partners allowing the Project to grow. Finally, and of equal importance from an intellectual point of view, it permitted a new understanding of the subject to develop.

3.3 An Upward Spiral - links between homelessness and employment

The underlying hypothesis upon which GATE was built was that housing and employment are linked and that this link is seen most clearly in its negative manifestation; namely, the vicious circle and consequent downward spiral of no job therefore no home - no home therefore no job. Further, that by breaking this cycle with a guarantee of employment and temporary, secure housing, participants could move out of their present circumstances and into social and economic independence. The paradigm is attractively simple and a useful rationale for the employment focus of GATE; this element of the Project has received attention and some replication and appears to be seminal. However, at a level other than a paradigm, is it true?

All participants and applicants to GATE were homeless and unemployed but the majority were not homeless as a direct result of losing a job. Some had come to London to find work and were now unemployed and without a home, but this was only an indirect result of unemployment; a very small group had had housing linked to a job and had lost both on leaving, for example, the army or a job in the building trade. In general, homelessness and unemployment were the results of other major personal crises, including some which were positive attempts to break out of a dead-end job and unsatisfactory domestic circumstances. The first part of the paradigm does not therefore appear to be generally true: homelessness is not caused by joblessness.

What of the second assumption of the paradigm that homelessness causes unemployment? This would appear to be true in part: the unsettled life of the homeless and the physical deprivation suffered make it hard both to apply for and to keep a job. At least one employee admitted that a fixed address is a precondition for recruitment and doubtless he is not unique. However, once homeless people are living in a hostel or squat there is little to signal to an employer that they are technically homeless. A more significant barrier to employment appears to lie in their work history: many GATE participants had made a number of job moves which, regardless of their housing status, made them unattractive to employers.

> *I went through umpteen jobs, from minicabbing to catering. I did not really stay on a job long enough to get a reference for my next prospective employer*
> (male GATE participant)

> *I was changing my job every couple of months*
> (female GATE participant)

For other participants it was probably their very low educational and skill levels which excluded them from employment.

> *I started using temporary accommodation when I was 17 or 18... I had no proper qualifications, no proper job*
> (female GATE participant)

In conclusion therefore the paradigm is only partly true: there is a causal connection between being homeless and being unemployed but there is little connection between losing a job and losing a home, outside exceptional tied housing arrangements. (The Project was not concerned with groups who might have lost a home through mortgage

repossession.) Nevertheless the paradigm highlights the complex and interdependent relations which do exist. These are worthy of more attention than they have hitherto been given, particularly in relation to young people and their need for independence which is seriously restricted by their inability to earn an adequate wage. Indeed, in comparison with their contemporaries who go into higher education, these young people are neglected by the State and their transition into independence is emotionally and financially unsupported.

More important, in terms of a solution to homelessness, the paradigm is significant in its insistence on this interdependence and the critique this implies of conventional strategies which have concentrated on housing, while ignoring the individual's other needs. Similarly an approach which meets only the employment needs of the homeless will fail, since much readily available employment is insecure, temporary, casual and low paid and far from addressing homelessness can actually cause it.

The GATE experience suggests a model which recognises the inter-dependence of the two elements and by so doing presents a *structural solution* which attempts to break into the vicious circle and create the potential for an upward spiral. The key cause of much homelessness is poverty rather than simply unemployment: it is that which renders much housing stock out of reach and places unbearable strain on the small supply of social affordable housing which remains; it causes the silting up of the hostel system and leads ultimately to the rough sleeping on the streets since there is nowhere else for people to go. Whilst homeless people are unable to obtain work the situation will continue. Similarly as long as the employment opportunities open to these people are low paid, there will be little incentive to work and no way of leaving social housing. More important, once people are rehoused in scarce 'move on' it will be hard for them to return to the labour force and to find a well paid job. This vicious circle of dependence is thus reinforced and self perpetuating. Employment per se cannot effect a change but well paid employment can. If, by earning a reasonable wage (in the participant's own terms), the residents of hostels can move into the private rented sector, or eventually buy their own flats, the bottleneck is eased. Similarly if people in 'move on' can move out, the whole system becomes mobile. By attacking poverty through the provision of training which led to guaranteed and appropriate employment, GATE brought about this radical change in the circumstances of some of the participants. This is not to deny the other, less tangible benefits of employment and their contribution to an individual's feelings of worth; however it is, above all, at the structural level that the linked approach of GATE worked - both in enabling individuals and in presenting an analysis and model for further development.

NOTES

1. LEntA Members

Barclays Bank plc; The British Petroleum Co plc; British Rail; British Telecom; Citibank; Grand Metropolitan; Guiness Brewing Worldwide Ltd; 3i plc; IBM United Kingdom Limited; John Laing plc; LEntA Business Space; Lloyds Bank plc; Marks and Spencer plc; Midland Bank plc; J Sainsbury plc; Shell UK Limited; Tate and Lyle plc; Unilever plc; United Biscuits (UK) Limited; The Wellcome Foundation Ltd; Whitbread plc.

2. LEntA initiated the first schools Compact in the UK - the East London Compact - in March 1987.

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